Message Text

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DRAFTED BY: NEA/ARP:PDMOLINEAUX:JJB APPROVED BY: NEA/ARP:FMDICKMAN ------059827

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FM SECSTATE WASHDC

TO AMEMBASSY DAMASCUS IMMEDIATE AMEMBASSY AMMAN IMMEDIATE

SECRETSTATE 292961

FOLLOWING REPEAT STATE 292961 ACTION SANA INFO JIDDA LONDON CAIRO 12 DEC

QUOTE

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E.O. 11652: GDS

TAGS: PFOR, MASS, YE, SA

SUBJECT: US LETTERS OF OFFER FOR YAR

REF: SANA 3454 AND PREVIOUS

- 1. GIVEN OUR PAST EXPERIENCE WITH YAR LETTERS OF OFFER, STATE AND DOD BELIEVE THAT NO USEFUL PURPOSE WOULD BE SERVED AT THIS TIME BY OFFERING TO SAG NEW LETTERS OF OFFER AUGMENTING QUANTITIES AND TYPES OF WEAPONS FOR YAR IMPACT PACKAGE IN ABSENCE OF SAUDI COMMITMENT TO SUPPORT YAR MODERNIZATION PROGRAM.
- 2. IN SEPTEMBER 1974, USG, IN RESPONSE TO EXTENSIVE SAUDI/ YEMENI SHOPPING LIST, FURNISHED SAG WITH LETTERS OF OFFER AND ADDITIONAL PRICE AND AVAILABILITY DATA FOR ARMS PRO-SECRET

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GRAM WHICH MIGHT HAVE TOTALED SOME 80 TO 100 MILLION DOLS.

YOU WILL RECALL THAT SAG AT THAT TIME DECIDED TO DEFER CONSIDERATION OF OFFERS PENDING COMPLETION OF SAUDI SURVEY AND INVENTORY OF YAR ARMED FORCES WHICH BEGAN IN NOVEMBER 1974. AGAIN, IN JULY AND AUGUST OF THIS YEAR, USG PROVIDED LETTERS OF OFFER COVERING "IMPACT PACKAGE" TO SAG. AS IN EARLIER CASE, SAG HAS NOT RESPONDED.

- 3. SPECIFIC CONTENTS OF LETTERS OF OFFER COVERING IMPACT PACKAGE ARE NOT INTENDED AS EXPRESSION OF UPPER LIMITS OF USG WILLINGNESS TO SELL ARMS TO YAR. USG COMMITMENT IN PRINCIPLE IS MORE ACCURATELY REFLECTED IN SCALE OF SEPTEMBER 1974 LETTERS OF OFFER, AND RECOMMENDATIONS OF FIFER REPORT.
- 4. EMBASSY MAY RECALL THAT FOUR LETTERS OF OFFER OF THIS SUMMER COVERING IMPACT PACKAGE (WITH TOTAL VALUE OF SOME DOLS 6 MILLION) WERE, IN FACT, PROVIDED IN COMPLETE ABSENCE OF SPECIFIC SAUDI REQUESTS FOR SAME. INTENT OF IMPACT PACKAGE WAS NOT, REPEAT NOT, TO REFLECT LIMITS OF USG COMMITMENT, BUT, ON THE CONTRARY, TO EFFECT AN INITIAL STEP TOWARDS LARGER COMMITMENTS. THESE LOA'S HAVE NOW EXPIRED AND ARE IN PROCESS OF REVALIDATION. SHOULD SAG DECIDE TO SIGN EXPIRED LOA'S, IT MUST BE UNDERSTOOD THAT USG COMMITMENT CONTINGENT ON REVALIDATION.
- 5. IT WOULD NOT BE WITHIN USG RESOURCES OR POLITICALLY POSSIBLE TO UNDERTAKE DIRECT USG-FINANCED PROGRAM FOR YAR MILITARY MODERNIZATION IN LIEU OF SAUDI PROGRAM. ONLY REAL ALTERNATIVE TO SOVIET OFFER IS FIRM SAUDI COMMITMENTS.
- 6. WE ARE ENCOURAGED TO NOTE THAT AL-GHASHMI RECOGNIZES THAT "A LITTLE BIT CAN AND WILL GO A LONG WAY IN YEMEN." WHEREAS IT IS NOT OUR INTENTION TO PROVIDE MERELY "A LITTLE BIT," WE TAKE GHASHMI'S STATEMENTS AS INDICATION THAT SPECIFIC SAUDI ACTION ON EXISTING IMPACT PACKAGE WOULD BE ACCEPTABLE TO YARG IN PRESENT POLITICAL CONTEXT.
- 7. MEANWHILE, DOD IS EXPLORING POSSIBILITY OF ADDING TO IMPACT PACKAGE AND SPEEDING UP DELIVERIES WHERE POSSIBLE, SECRET

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SHOULD DEAL BE CONSUMMATED. INGERSOLL UNQUOTE INGERSOLL

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Message Attributes

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Subject: US LETTERS OF OFFER FOR YAR TAGS: PFOR, MASS, YE, SA, US

To: DAMASCUS AMMAN

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006